This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 BRASILIA 002160

SIPDIS

STATE FOR WHA/BSC, EB/TPP/MTA/IPC SWILSON, AND CA/VO STATE PASS TO USTR FOR SCRONIN, LYANG AND BPECK USDOC FOR 4322/ITA/MAC/WH/OLAC/WBASTIAN/JANDERSEN/DMCDO UGALL/DRISCOLL USDOC FOR 3134/USFCS/OIO/EOLSON/DDEVITO TREASURY FOR OASIA/SEGAL NCS FOR DEMPSEY

E.O. 12958: N/A

TAGS: <u>KIPR ETRD KCRM PGOV ECON BR IPR</u>
SUBJECT: BRAZIL: PIRACY CPI'S FOURTH IPR BILL

REFS: A) BRASILIA 2150 B) BRASILIA 2017 C) BRASILIA 1668

11. This is the fourth in a series of five cables on legislation put forward on July 16, 2004 by Deputies belonging to the Congressional Investigative Commission on Piracy (reftels). Below is Embassy's unofficial translation of the text of the fourth bill.

12. Bill 3967/2004
(of the Piracy CPI)

Modifies the penalty for crimes of contraband and receipt of illicit goods $% \left(1\right) =\left(1\right) \left(1\right)$

The National Congress decrees:

Article 1 - This law increases the penalty for privation of liberty mandated for the crimes of contraband or smuggling and receipt of illicit goods, penalties restricting rights:

Article 2 - Art. 180 and 334 of Decree-law no. 2.848 of December 7, 1940, enters into effect with the following edit:

"Art. 334. Import or export prohibited merchandise or evade, in full or in part, the payment of rights or taxes due on the entrance, or the exit or consumption of merchandise:

Penalty - confinement, from 1(one) to 4(four) years and loss of merchandise and the vehicle used to effect the entrance or exit, as well as losing the right to do business."

Article $\bf 3$ - This law goes into effect on the date of its publication.

JUSTIFICATION

The bill that the Piracy CPI hereby presents has as its objective modification of the penal law to combat piracy so prevalent in our society.

In Foz do Iguacu there are many buses that cross the border every day. These buses, contrary to what might be expected, don't carry passengers, as they don't even have seats. They are true cargo carriers, loaded with merchandise that is illegal either because it can't come into the country or because it came in without paying the taxes due.

In the same way, throughout Brazil stores sell pirated merchandise; when there is an investigation, we seize it, and the next day they are back in business with hundreds more illegal products.

The objective of this bill is, besides the deprivation of liberty already proscribed by the law, to deprive merchants who sell illegal products of the right to do business and those who promote contraband to lose the means of transport through which the crime was committed, in addition to the merchandise, which is often not even seized.

With the hope that these measures help to decrease the entrance of illegal products into the country, we count on the support of the illustrious Deputies for approval of this project.

Sessions Room, July 16, 2004 Deputy Medeiros, President Deputy Josias Quintal, Reporter End unofficial Embassy translation.

Danilovich